

Dan Schwartz
State Treasurer



STATE OF NEVADA
OFFICE OF THE STATE TREASURER

May 11, 2016

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TREASURER SCHWARTZ ISSUES UPDATE ON FARADAY FUTURE

Carson City, NV – State Treasurer Dan Schwartz issued the following statement related to Faraday Future, the company tapped to build a \$1 billion facility for manufacturing electric cars in North Las Vegas.

“As you know,” said Treasurer Schwartz, “Leshi, the company owned by Jia Yueting, the project’s principal financier, was to resume public trading this past Monday. Despite repeated delays during a five month trading halt, that did not happen. According to Chinese news sources, it’s unclear when it will occur. Moreover, according to an article by Bryan Logan in the *Business Insider* earlier this week, Leshi plans to issue additional shares at a 30% discount to the last trading price in December 2015 to finance an upcoming acquisition. An article from the *Wall Street Journal* also reported that ‘LeEco [Leshi’s alter ego] says on average, Mr. Jia pledges around 70% of his holdings in Leshi as collateral for loans taken against the Leshi shares.”

“Our office is charged with issuing up to \$175 million in general obligation bonds to finance the project’s infrastructure. To date, our office has not received requested documentation indicating the project remains on schedule for the bond’s original issue date of September 2016. Until Faraday Future publicly discloses additional details concerning the plant’s financing and production dates, we remain concerned about the viability of this undertaking. Our office continues to monitor this project on multiple fronts and will provide further updates as appropriate.”

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